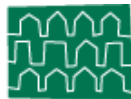


CITY OF MINNEAPOLIS

Green Homes North Round 6

Request For Proposals Information Meeting
Process from proposals to construction completion
Community Planning and Economic Development
Thursday June 2, 2016 and Thursday June 9, 2016
9:00 a.m.– 10:30 a.m.



**FAMILY
HOUSING
FUND**



**NORTHSIDE
HOME FUND**



Green Homes North Round 6

Green Homes North is an initiative of the City of Minneapolis and several partners which will build **100 energy efficient homes** over five years to revitalize neighborhoods in North Minneapolis.

Launched in 2012, over **\$5 million** in funding has been awarded to **15 developers** to build **84 homes** to date: **44 have sold** and **40 are under construction**.

16 homes remain to meet our goal.

Green Homes North Round 6

The City of Minneapolis has identified four goals for Green Homes North:

- **Build 100 green homes** in North Minneapolis
- **Increase energy efficiency** and sustainability
- **Create job opportunities** for local residents and minority and women-owned businesses
- **Promote Minneapolis businesses** providing green housing products and services

Proposals that minimize the use of the subsidy will be prioritized in the selection process

Green Homes North Round 6 Request For Proposals

Process from proposals to construction completion

Overview of Timeline and Process

Green Homes North Round 6

TIMELINE – REQUESTS FOR PROPALS

June 1, 2016	RFP Released
June 2, 2016	Developers Request for Proposals Information Meeting
June 10 -15, 2016	Lot Selection List Due
July 1, 2016	Proposals Due at Noon Proposals Sent to Neighborhoods for Review 45 day Public Comment Period Begins
Week of July 11-15	Design Review Committee Meeting with Developers

Green Homes North Round 6

TIMELINE – PROPOSAL SELECTION AND APPROVAL

*Pending Council Approval and 2016 Council and Committee Calendar and Mayor Signing Dates TBD

August 12, 2016	RCA Posted: http://www.minneapolismn.gov/meetings/all/index.htm
August 15, 2016	Community Development Committee Considers Recommendations* Public Hearing, Minneapolis City Hall—Room 317 45 Day Public Comment Period Ends Development Review Begins*
August 19, 2016	City Council Action*
August 24, 2016	Mayor Signature and Publication* Land Sale and Funding Contracts Mailed to Developers*

Green Homes North Round 6

TIMELINE – AQUITION AND CONSTRUCTION

*Pending Council Approval and 2016 Council and Committee Calendar and Mayor Signing Dates TBD

****Earliest date strongly encouraged.**

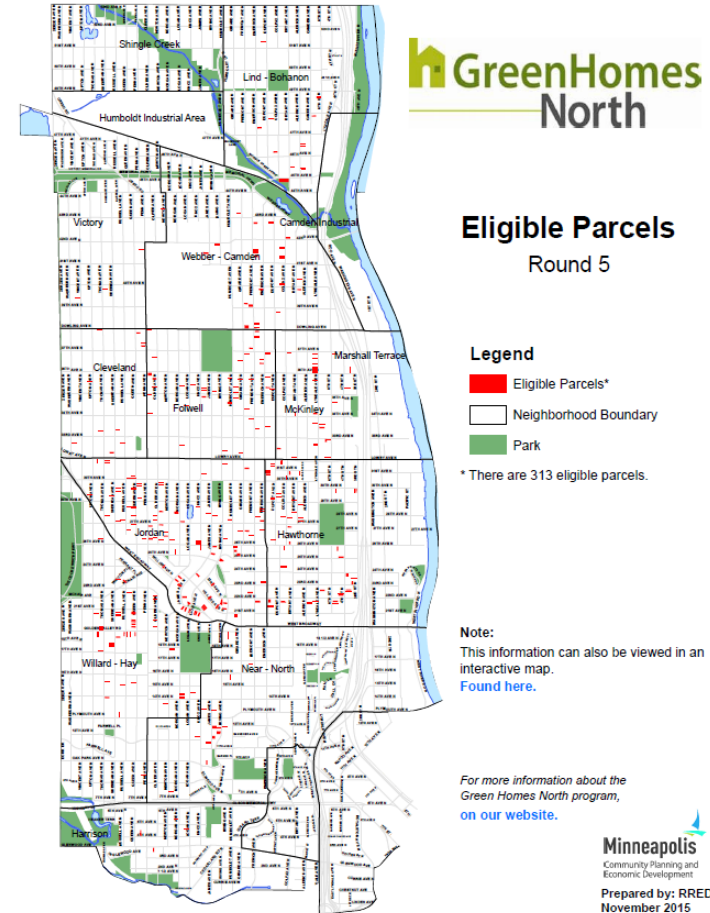
September 14, 2016	Land Sale and Funding Contracts Delivered to CPED
TBD	Development Review Complete or Request for Revisions (15 business days)
TBD	Development Review Revisions
TBD	Land Sale and Funding Contracts Fully Executed for Closing* (required 90 days of official approval)
TBD	Development Review with Revisions Complete (5 business days)
TBD	Construction Begins** (required within 30 days of land sale)
TBD	Marketing Begins**
TBD	Construction Complete, Homes Sold or on the Market** (required within 6 months of construction start)

Green Homes North Round 6

Developer Resources: <http://www.minneapolismn.gov/cped/housing/GreenHomesNorthDeveloperResources>

Developers will identify intended lots by Friday, June 10, 2016.

- [Green Homes North Round 6 Eligible Lot List \(pdf\)](#)
- [Green Homes North Round 6 Interactive Map](#)



Green Homes North - Windows Internet Explorer

http://cityofminneapolis.maps.arcgis.com/apps/webappviewer/index.html?id=10daf9814f1dc4d6ebbbe458564ec2875

File Edit View Favorites Tools Help

Favorites studios & schedules Core... Suggested Sites Web Slice Gallery

Green Homes North

Green Homes North Round 5 Eligible Lots

45.015 -93.283 Degrees

600ft

City of Minneapolis, First American, Minneapolis, Ontario Base Map, Province of Ontario, Esri, HERE, DeLorme, INCREMENT P, Intermap, USGS, METI/NAS.

Internet | Protected Mode: Off

11:27 AM 12/3/2015

Green Homes North Round 6

Developer Resources: <http://www.minneapolismn.gov/cped/housing/GreenHomesNorthDeveloperResources>

Green Homes North 6 Request for Proposals

- [Green Homes North 6 RFP \(pdf\)](#)
[Green Homes North Round 6 Timeline \(pdf\)](#)
 - [Offer to Purchase Residential Land and Improvements \(*including Marketing Plan*\)](#)
 - [Development Proforma \(xls\)](#)
 - [Form for Release of Response Data \(doc\)](#)
 - Documentation of Interim Financing and Leverage*
 - Complete Set of Design Concept Plans (including electronic format)*
 - [Green Communities Intended Methods Form \(xls\)](#)
 - Minneapolis Department of Civil Rights Approved Affirmative Action Plan**
 - [Minneapolis Department of Civil Rights Approved Equity Plan \(doc\)](#)
 - [Workforce Development and Job Creation: Developer Response Form](#)

*Developer to provide in the proposal.

**If not on file with Minneapolis Department of Civil Rights

Green Homes North Round 6



THIS BOX FOR CPED STAFF USE ONLY:	
Property Address	
Date Received	
Disposition Parcel Number	
Land Sale Review Approved	
Planning Commission Review Approved	
Neighborhood Notice Sent	

OFFER TO PURCHASE FROM THE CITY OF MINNEAPOLIS VACANT LAND FOR NEW CONSTRUCTION OF A 1-4 UNIT RESIDENTIAL STRUCTURE

Quality Control Checklist

Review this checklist of common errors to ensure your offer is complete before submittal.

- ☐ **DO NOT SEND A CHECK** with your Offer. Payment is only collected after City Council approval.
- ☐ Good faith deposit is for \$2,000 or 10% of posted purchase price, whichever is more in Section 1.
- ☐ The exact name used for deeds and legal contracts is indicated in Section 2.
- ☐ Experience as developer or general contractor is documented with a list of addresses indicating completed projects within the last two years in Section 3.
- ☐ Experience of sales or leasing team is described and occupancy intentions are clear in Section 4.
- ☐ If two signers were indicated in Section 2 (two individuals purchasing together or two business representatives), then both signers must sign Section 5.
- ☐ New construction concept plans are attached, including:
 - o Project description: include a narrative describing the project
 - o Site plan: show garage, house, sidewalks, and indicate site drainage
 - o Concept drawings: show the exterior elevations and floor plan
- ☐ Completed Project Budget is attached, detailing:
 - o Soft costs (include insurance, utilities, maintenance, marketing or leasing fees at a minimum)
 - o After-improved market value or sales price of completed property (complete regardless of rental or ownership proposal)
 - o Financing sources that will pay for the total development cost.
- ☐ Documentation of financing for the total development cost as indicated on the Project Budget is attached. Documentation of a combination of cash, credit, or financing can be submitted.

Property offered through the Residential and Real Estate Development Work Unit's Vacant Housing Recycling Program
Strengthening neighborhoods, one property at a time.

Development Proforma: Single Family Homeownership City of Minneapolis Community Planning and Economic Development (CPED)

Developer Name:	Contact Person:
Property Address:	Contact Person Email:

		Loan Requisition Budget	Final Budget	Notes and fee caps*
*fee caps only apply to projects requesting subsidy				
ACQUISITION				
1 Acquisition Cost	Estimated Budget			
2 Acquisition Closing fees				
Total Acquisition	\$ -	\$ -	\$ -	
HARD CONSTRUCTION COSTS				
3 Demolition				
4 Construction Contract				Gross contractor cost of rehab or new construction
5 Contingency	####			cap of 10% rehab; 5% new construction
Total Hard Construction Costs	\$ -	\$ -	\$ -	
SOFT CONSTRUCTION COSTS				
6 Architect/Design fees				
7 Environmental Testing				lead, asbestos, radon, energy audit, soil
8 Survey				
9 Interest During Construction				Estimated/Actual number of months (in highlighted field)
10 Real Estate Taxes				
11 Insurance				
12 Title and Recording Fees				
13 Legal Fees				
14 Utilities				
15 Property Maintenance				Estimated/Actual number of months (in highlighted field)
16 Green Certification				
17 Closing Costs - Sale to End Buyer				
18 Appraisal				
19 Marketing/Staging costs				
20 Realtor Fee	####			#### cap of 7% of sales price
21 Other:				
22 Other:				
Total Soft Construction Costs	\$ -	####	\$ -	#### cap of 15% of total development cost
23 Developer Fee	####			#### cap of 8% or 10% of acquisition, hard cost, and soft costs according to program guidelines
Total Development Costs	\$ -	\$ -	\$ -	
24 Appraised Value after Construction				
VALUE GAP or (PROCEEDS)	\$ -	\$ -	\$ -	positive = gap need; (negative) = net proceeds
INTERIM FINANCING SOURCES				
25 Developer Equity/Cash				Indicate lender and terms (interest rate, amortization)
26 Construction Loan: (State Source)				
27 CPED Value Gap				
28 Other Source:				
29 Other Source:				
30 Other Source:				
31 Other Source:				
Total Interim Financing	\$ -	\$ -	\$ -	Total of lines 25-31 should equal Total Development Cost
PERMANENT FINANCING SOURCES				
32 Buyer 1st Mortgage				Indicate lender and terms (interest rate, amortization)
33 CPED Value Gap				
34 CPED Buyer Financing				
35 Other Source:				
36 Other Source:				
37 Other Source:				
38 Other Source:				
Total Permanent Financing	\$ -	\$ -	\$ -	Total of lines 32-38 should equal Total Development Cost

Signature

Date

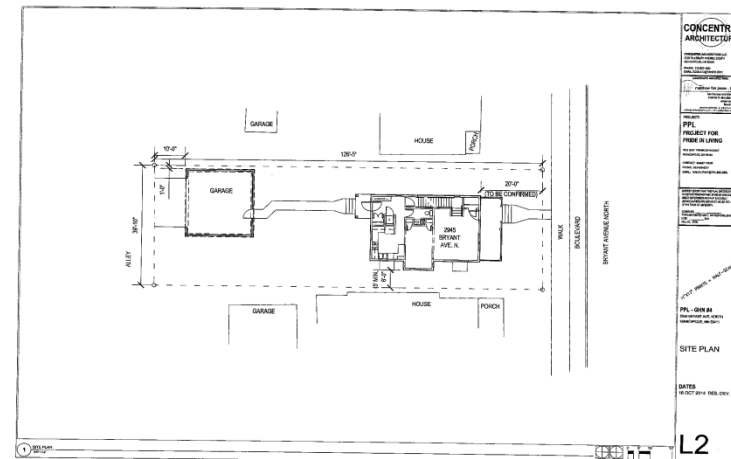
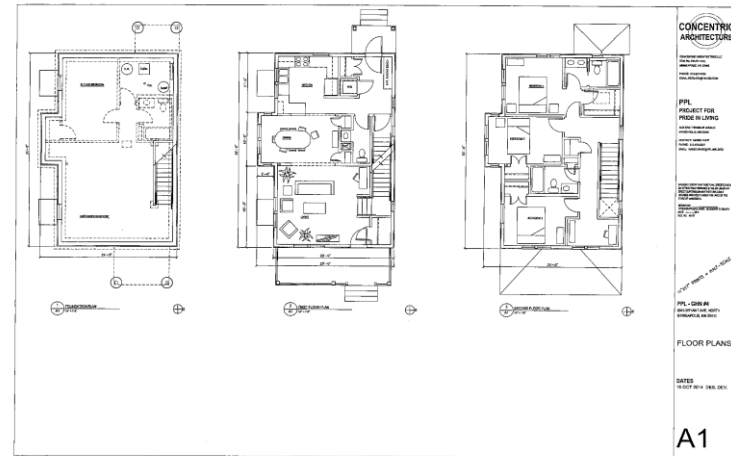
Green Homes North Round 6

- All questions are due no later than **Wednesday June 29, 2016.**
- **Proposals must be received by noon on Friday July 1, 2016.**
- Content should include **five copies** of the completed Green Homes North Program proposal package, including all required attachments.
- Please provide **electronic copies of the design** that include a one page design rendering of the home and the property address.

Green Homes North Round 6



Project for Pride in Living
2945 Bryant Ave. N
October 17, 2014



Green Homes North Round 5

1352 Thomas Ave N, 1514 Thomas Ave N

- Beds: 3
- Baths: 2
- Square Feet: 1,902
- Year Built: 2016
- Garage: Yes
- Stories: 2
- Neighborhood:
Willard-Hay
- **Developer: Prestige**
- EMV \$220,000



© RMLSMN

Green Homes North Round 6 Request For Proposals

Process from proposals to construction completion

Selection Criteria Priorities and Round 6 Changes

Green Homes North Round 6

PRIORITY SELECTION CRITERIA

SELECTION CRITERIA - PRIORITY RANKING ACTIVITIES	MAXIMUM POINTS
Development Gap Considerations	
Overall Development Gap Baseline of 35 points, with baseline adjusted as follows: <ul style="list-style-type: none">Increased by 1 point for every \$1,000 below \$35,000; or,Decreased by 1 point for every \$1,000 above \$35,000 (to a minimum of 0).	70
Development Gap Leverage Baseline of 0 points, with 5 points awarded for every \$5,000 of development gap leveraged, evidenced by secured funds specific to the project. In-kind is not an eligible source.	30
Note: Development gap is defined as the total development cost minus the appraised value after construction. The maximum development gap is \$70,000.	

Green Homes North Round 6

DEVELOPMENT REQUIREMENTS

DEVELOPMENT REQUIREMENTS	Exhibit
Developer Experience and Capacity	A
Detailed Plan of Proposed Activities	A
Financial Feasibility	B,D
Completed Offer to Purchase Residential Land and Improvements	A
Marketing Plan that Meets NSP Requirements to Affirmatively Further Fair Housing	A
Plan to Meet Women and Minority Owned Business Requirements	I
Plan to Make a Good Faith Effort to Meet Workforce Goals	I
Plan to Hire Local Contractors and North Minneapolis Residents	J
Commitment to use Locally Sourced Green Products and Services	A
Evidence of Innovative, Quality, Green Design Standards	G
Ability to Meet Green Communities Criteria as Developed by Minnesota Housing Finance Agency	G

Green Homes North Round 6

ROUND 6 CHANGES

- **Green Homes North approved developers only need to meet the housing development requirements** as long as they have up to date equitable development and sustainable development requirement documentation on file with the City of Minneapolis.

Green Homes North Round 6

ROUND 6 CHANGES – Development Gap Funds

- The development gap is the difference between the total development cost and the fair market value sale price of the property, as established by a CPED approved independent appraiser.
- Development gap determination will be based on development proposals, actual costs and sales price supported by appropriate documentation and includes a **developer fee of up to 8% of total development cost.**
- **The maximum development gap is currently \$60,000.** If the development gap is raised before proposals are due, applicants will be notified.

Green Homes North Round 6

ROUND 6 CHANGES - Affordability Gap Funds

- Pending City Council approval on June 17, awarded Green Homes North properties will receive **\$5,000 for homebuyer down payment and closing cost assistance.**
- Homebuyers of all Green Homes North property must be income qualified at or below **120% of area median income** using HUD Part 5 Income Certification.
- Developers that do not have experience with **HUD Part 5 Income Certification** are encouraged to contract with an experienced administrator

Green Homes North Round 6

ROUND 6 CHANGES – Eligible Developer

- Experience in meeting the United States Department of Housing and Urban Development requirements for utilization of **Neighborhood Stabilization Program (NSP)** funds will be helpful but not required.
- **The 2015 Minnesota Housing Neighborhood Stabilization Program Procedural Manual (NSP1 and NSP3) requirements apply.**

Green Homes North Round 6

ROUND 6 CHANGES – Eligible Home Buyer

- Income restrictions will apply: **120%** of the Area Median Income

ROUND 6 CHANGES – Eligible Land

- Addresses and maps of the eligible lots are available on the City of Minneapolis Green Homes North web page upon the release of this Request for Proposals.

Green Homes North Round 6

ROUND 6 CHANGES – NSP REQUIREMENTS

- **2015 Minnesota Housing
Neighborhood Stabilization
Program Procedural Manual**

Green Homes North Round 6

ROUND 6 CHANGES – NSP REQUIREMENTS

- **Income Eligibility Verification:** The developer must verify income eligibility before the sale of a home to a homebuyer. The developer may use the [Income Eligibility Calculation Worksheet](#) on Minnesota Housing's website to calculate household income. The developer should obtain independent third party verification for all income sources.
- **Homebuyer Counseling:** The NSP Program requires that homebuyers receive 8 hours of comprehensive homeowner training from a HUD-approved agency before purchasing a Home invested with NSP funds. This requirement must be included in the MLS sales listing.

Green Homes North Round 6

ROUND 6 CHANGES – NSP REQUIREMENTS

- **Affirmatively Marketing and Fair Housing and Equal Opportunity Reporting and Tracking:** The developer must work with potential homebuyers to affirmatively market NSP housing units. The developer is required to take specific steps in soliciting renters and homebuyers, determining eligibility, and concluding all transactions. These steps include: outreach to protected groups, marketing strategy that reaches protected groups, and self-analysis to make sure all steps are non-discriminatory.
- **Collecting and Maintaining Racial and Ethnic Data:** The developer must record and maintain information on the race, color, or national origin of persons who are applicants for, participants in, or beneficiaries of NSP.

Green Homes North Round 6

ROUND 6 CHANGES – NSP REQUIREMENTS

- **Maximum Sales Price:** The maximum sales price for a property which is a homebuyer's principal place of residence must not exceed the total development cost, which includes but is not limited to: acquisition, rehabilitation or redevelopment, related activity delivery costs and costs related to the sale of the property.
- **Continued Affordability of Owner-Occupied Housing:** Affordability of owner-occupied housing is enforced by either recapture or resale restrictions. All homes that receive financing will receive \$5,000 of homebuyer assistance through the NSP program and have a required affordability period of 5 years.

Green Homes North Round 6

ROUND 6 CHANGES – NSP REQUIREMENTS

- **Implementing Cost Reasonableness:** A [competitive bidding process](#) is the best method to attain compliance.
- **Energy Star Qualified New Homes:** [Buildings up to three stories must be designed to meet the standards](#). Developers are strongly encouraged to research requirements through local certification companies.
- **Ineligible Improvements:** The developer will not make any ineligible improvements as defined by the [2015 Minnesota Housing Neighborhood Stabilization Program Procedural Manual](#) (NSP1 and NSP3).

Green Homes North Round 6 Request For Proposals

Process from proposals to construction completion

Contract Management

Green Homes North Round 6

ROUND 6 CHANGES – Construction Management

- The City will perform and provide to developers **environmental** review and geotechnical testing and analysis and as necessary to determine shoring requirements and plans.
- Assume shoring will be required in your proposal and reference the shoring amount per side. It is also assumed that the length of the property will be less than the width, as some parcels may only require partial shoring. If shoring is not required after the geotechnical analysis, the estimated cost will be deducted from the award requested.
- **Developers of Green Homes North Round 1 through 3 homes must have completed the post build submission as verified by Enterprise before applying for Round 6.**

Green Homes North Round 6

HOUSING DEVELOPMENT CHECKLIST



Community Planning and Economic Development
105 Fifth Ave. S. - Room 200
Minneapolis, MN 55401
TEL 612.673.5009
www.minneapolismn.gov

City of Minneapolis CPED Housing Development Checklist

Developer:

Developer Contact:

Address:

CPED Project Coordinator:

CPED Construction Manager:

Provide all documents per phase in one complete submittal. Submit unshaded documents to the CPED Project Coordinator and the shaded documents to the CPED Construction Manager.

Phase 1: FINANCING COMMITMENT AND CONTRACT Date Received:

- ☐ CPED program application or RFP response
- ☐ Initial property acquisition purchase agreement
- ☐ HUD 1 settlement statement related to the initial property acquisition
- ☐ Property Deed / evidence of ownership
- ☐ Evidence property was vacant at time of acquisition a minimum of 90 days prior to acquisition
- ☐ Neighborhood notification letter
- ☐ Restricted appraisal to establish after rehab or completed new construction estimated sales price
- ☐ Confirmation that the property is located in an eligible area
- ☐ Environmental review record (include SHPO and FEMA panel)
- ☐ CPED performs assessment of developer capacity, financial soundness and market conditions
- ☐ Executed financing agreements

Phase 2: FINANCIAL CLOSING Date Received:

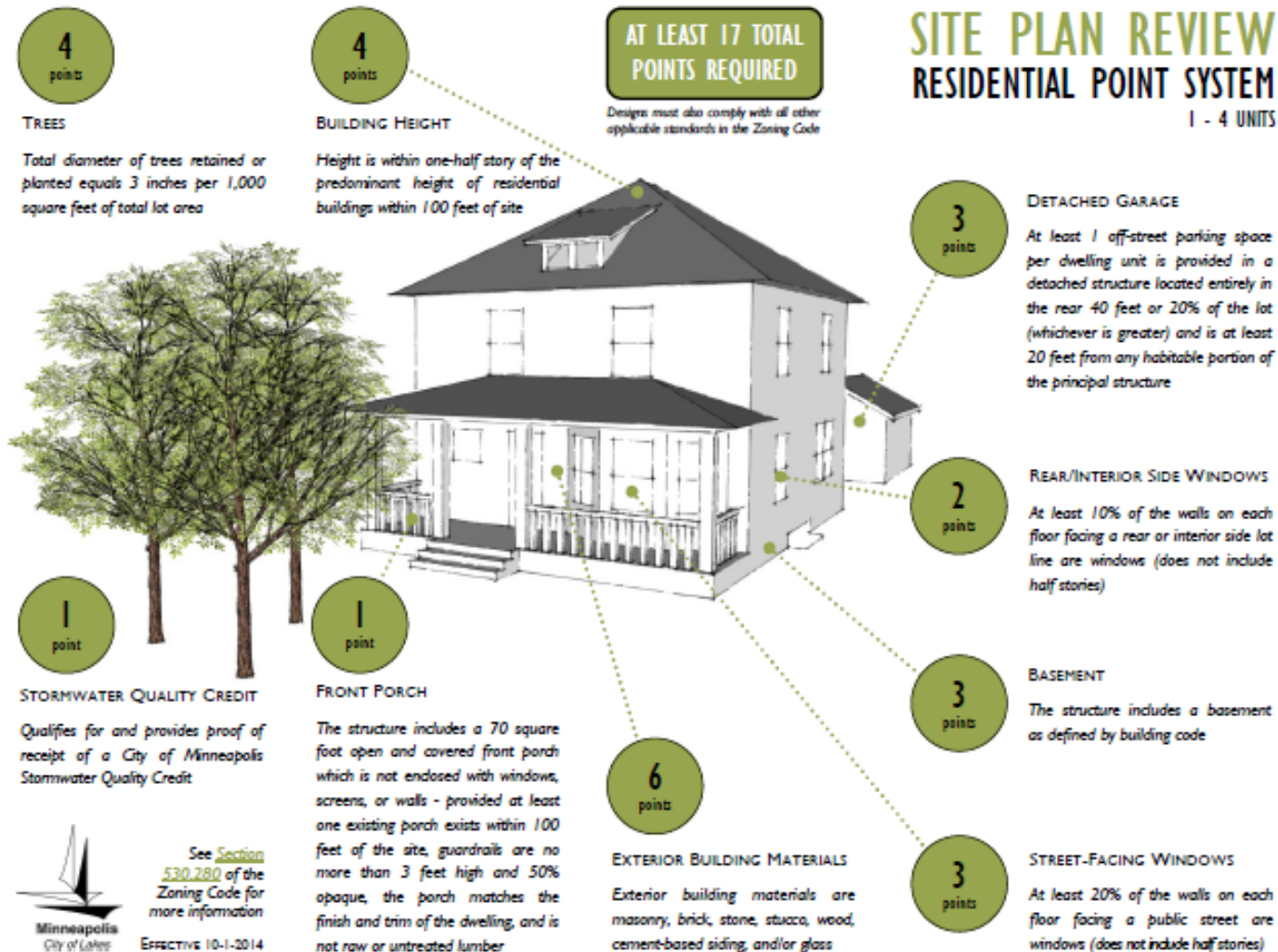
- ☐ Evidence of notification to Minneapolis Department of Civil Rights (MDCR)
- ☐ Title Commitment
- ☐ ALTA Loan Policy
- ☐ Loan Requisition and Sworn Construction Statement or budget (contract exhibit)
- ☐ Voluntary Acquisition Form (contract exhibit)
- ☐ Documents relating to additional project financing
- ☐ Property specific Affirmative Marketing Plan
- ☐ Builders Risk Insurance
- ☐ Comprehensive General Liability Insurance
- ☐ Worker's Compensation Insurance
- ☐ Summary appraisal. REQUIRED: Use appraisers from CPED appraiser list
- ☐ Plans/Specifications/Lot Survey
- ☐ Pre-Construction Intended Methods Green Communities Checklist
- ☐ Initial Energy Audit or Energy Modeling Report
- ☐ CPED performs review of Plans and Specifications
- ☐ Bid advertisement
- ☐ Bid tally

Green Homes North Round 6 Request For Proposals

Process from proposals to construction completion

Zoning and Planning

Green Homes North Round 6



Green Homes North Round 6

Construction Plan Submittal and Review Process

- **Submittal packages must be complete for acceptance and review and shall include:** Wrecking Permit Application (if applicable), Building Permit Application, Site Plan Review Application, Residential Construction Management Agreement, Survey, Site Plan, Construction Plans
- ****Plans may be submitted prior to the selection of a licensed contractor and/or without a copy of a construction contract, however these items must be submitted for review and approval before any permits will be issued.**
- **Construction Plan Review Timelines (Business Days):**

Project Type	1 st Submittal	Resubmittal
New 1 or 2 Family Dwellings	15	5

Green Homes North Round 6

Permit Issuance and Inspections

- ******Any modification to an approved plan must be submitted for review and approval before being constructed ******
- **Additional surveys shall be submitted for review and approval during construction:**
- Three scaled & dimensioned copies of a signed survey indicating the top of foundation elevation and front and side yard structure setbacks must be submitted **prior to foundation inspection**)
- Three scaled & dimensioned copies of an as-built signed survey indicating the actual site conditions including all structures and contours must be submitted **prior to issuance of a Certificate of Occupancy**)
- Surveys may be submitted electronically

Green Homes North Round 6

Development Review Customer Service Center 250 South 4th Street – Room 300

Service Center Hours

Mon - Wed, Fri

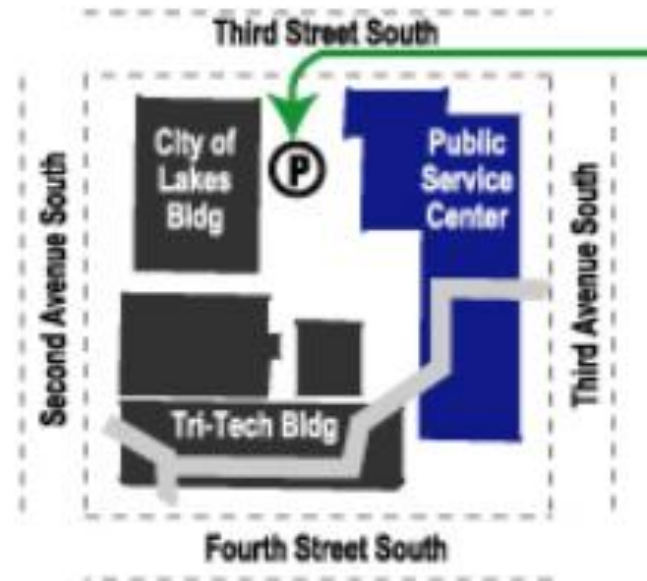
8:00 AM – 4:00 PM

Thursday

9:00 AM – 4:00 PM

Customers requiring Plan Review, Zoning, Preservation & Design (HPC) or Housing/Rental License services must sign-in by **3:30 PM**

Free Parking



****Free parking is available for our customers behind the Public Service Center. Enter the second driveway on 3rd Street. Bring your ticket and exchange it for a digital access code to exit the parking lot.**

Chris Vrchota - AICP

250 South 4th Street – Room 300

Minneapolis, MN 55415

(612) 673–5467

Chris.Vrchota@minneapolismn.gov

Questions or Comments?



Al Hanson

250 South 4th Street – Room 300

Minneapolis, MN 55415

(612) 673–2550

allen.hanson@minneapolismn.gov

Green Homes North Round 6 Request For Proposals

Process from proposals to construction completion

Civil Rights Women and Minority-Owned Business
Workforce Goals

Green Homes North Round 5

Plan to Make a Good Faith Effort to Meet Minority-owned and Women-owned Business Goals

- The City encourages local workforce hiring and the use of local, minority and women contractors and businesses. The City of Minneapolis workforce goals are 6% Minority-owned Business Enterprise (MBE) and 8% Woman-owned Business Enterprise (WBE).

Plan to Make a Good Faith Effort to Meet Workforce Goals

- The City of Minneapolis workforce goals are 6% of the total project trade hours to be performed by females and 32% of the total project trade hours to be performed by minorities.

Green Homes North Round 6 Request For Proposals

Process from proposals to construction completion

Workforce Development and Job Creation

Green Homes North Round 6

Creation of Job Opportunities for North Minneapolis Residents

- Developers will complete and submit a Workforce Development and Job Creation Plan as part of the proposal.
- Developers will collaborate with workforce service providing agencies in Minneapolis to leverage these resources to meet local work force and hiring goals.
- Developers are required to demonstrate coordination with local contractors and creation of job opportunities for local residents.
- CPED will coordinate a networking event to connect developers and potential contractors. **Developers are required to attend this event.**

Green Homes North Round 5 Request For Proposals

Process from proposals to construction completion

Green Products and Services

Green Homes North Round 6

Green Product Sourcing

- Using the **Twin Cities Green Products & Services Directory** and the Green Homes North Directory as a guide, developers are encouraged to identify green products sourced from a local distributor or retailer and maximize the use of green products and services that are manufactured locally.

Green Homes North Round 6 Request For Proposals

Process from proposals to construction completion

Twin Cities Community Land Bank Financing

Twin Cities Community Land Bank



Twin Cities
Community Land Bank

Building Neighborhoods
Strengthening Communities

COMMUNITY LENDING

New Construction of Affordable Housing

TCC Land Bank provides **financing to nonprofit and for-profit developer partners interested in new construction of healthy, affordable, green, sustainable housing in distressed communities.** In order to further neighborhood recovery, TCC Land Bank provides developer partners market rate, short term debt that can be partnered with other capital sources or used solely to build single family or multifamily properties in adherence to Minnesota Green Communities Standards and employment utilization requirements.

Green Homes North Round 6

Funding Type /Source	Interest Rate	Income Restriction	Target Area
Development Gap Minnesota Housing Finance Agency City of Minneapolis	0%	120% of AMI	North Minneapolis
Interim Construction Financing Loans Twin Cities Community Land Bank	4%-5%	115% of AMI	North Minneapolis

*These interest rates are available in the designated areas until the Twin Cities Community Land Bank (Land Bank) depletes the grant resource that is providing the subsidy to reduce the Land Bank's standard 6.5%-7% interest rates throughout the Twin Cities. The Land Bank will honor the 4%-5% interest rates as long as possible in partnership with the Green Homes North Program. The interest rates are reviewed on an annual basis.

Green Homes North Round 6 Request For Proposals

Process from proposals to construction completion

Marketing

GreenHomes North



BUILDING STRONGER NEIGHBORHOODS



6/10/2016



More Properties on Market & Under Construction



6/10/2016

Green Homes North Round 6 Request For Proposals

Process from proposals to construction completion

Additional Questions and Comments

Green Homes North Round 6

For more information:

www.minneapolismn.gov/cped/GreenHomesNorth

Contact:

Cherie Shoquist
Principal Project Coordinator
Community Planning and Economic Development
City of Minneapolis
105 Fifth Avenue South, Suite 200
Minneapolis, MN 55401
(612) 673-5078
cherie.shoquist@minneapolismn.gov